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June 17, 2007

VIA ECFS

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**RE: Sunflower Broadband ("Sunflower"); Request for Waiver; CSR-7114-Z
Notice of Ex Parte Communication – CS Docket No. 97-80**

Dear Ms. Dortch,

Under 47 C.F.R. § 1.1206(b), we electronically provide this notice of an ex parte oral presentation in the docket listed above. On May 21, 2007, Nicole Paolini-Subramanya, outside legal counsel to Sunflower, and Patrick Knorr, General Manager of Sunflower, met with Michelle Carey, Senior Legal Advisor to Chairman Kevin J. Martin.

The purpose of the meeting was to discuss Sunflower's pending Request for Waiver of 47 C.F.R. § 1204(a)(1) which was filed on November 20, 2006. The attached handout was also distributed and discussed at the meeting.

We also attach an article supporting Sunflower's position that the Commission should not only allow a limited analog simulcast tier, but encourage it.¹

Sincerely,

_____/s/_____

Emily A. Denney

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¹ Jack Loechner, *70% of TV Sets in Cable Households Do Not Have a Set-Top Box*, Media Post Publications, May 22, 2007, http://publications.mediapost.com/index.cfm?fuseaction=Articles.showEdition&art_send_date=2007-05-22&art_type=8.

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Low-Cost Set-Top Box Waiver Request – May 2007

Sunflower Broadband is bridging the digital divide in smaller and rural markets. Sunflower Broadband is a privately-held cable company providing services to about 30,000 customers in smaller and rural markets in Kansas. Sunflower Broadband prides itself on offering its subscribers the most cutting-edge broadband services available today. The company provides more advanced services than almost any other cable operator – including most major MSOs. Sunflower Broadband's services already include:

<ul style="list-style-type: none"> • Over 210 channels, including 45 music channels, VOD, advanced parental controls, and DVR functionality • All-digital simulcast services • Wireless broadband for rural subscribers 	<ul style="list-style-type: none"> • Cable modem services, including three different high-speed broadband packages • Video caller ID • Local video on demand services, including local news, city commission meetings, and programs from local schools • HD services, including broadcast HD
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If granted the requested waiver, Sunflower Broadband will provide even more advanced services: If granted the requested waiver, Sunflower Broadband will reclaim enough analog bandwidth to provide services including:

<ul style="list-style-type: none"> • HD channels, digital multicast, and digital signals from independent broadcasters • More video on demand services 	<ul style="list-style-type: none"> • New interactive services • Faster broadband services, with speeds up to 20 Mbs
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Low-cost set-top boxes like the Motorola DCT-700 are critical to Sunflower Broadband's digital transition. As described in our November 20, 2006 waiver request, in the two years that Sunflower Broadband has been deploying the DCT-700, it has more than doubled its digital penetration rate. According to Motorola, the replacement for the DCT-700 will cost nearly three times as much. Without a waiver for low-cost set-top boxes like the DCT-700, Sunflower Broadband will need to raise the price of its entry-level all-digital service, which experience has shown will significantly slow digital deployment.

Retaining a limited analog tier will provide more consumer benefits than transitioning to all-digital. Sunflower Broadband knows its market – it must know what its customers want to compete with DBS. Sunflower Broadband would not retain a limited analog tier if its customers did not need an analog tier.

- **Many senior citizens are physically unable to operate digital services.** Through conversations with administrators at local retirement facilities, Sunflower Broadband personnel have discovered that many of the over-65 consumers in Sunflower Broadband's service are physically unable to operate digital services. This is because many over-65 consumers cannot use a remote control due to vision problems or lack of feeling in their fingertips. Consumers do not benefit by being forced to take and pay for services that they simply cannot use.
- **Consumers do not need or want to pay for digital services for additional televisions.** Many of Sunflower Broadband's customers do not want to be forced to take and pay for digital services for their 2nd, 3rd, 4th or 5th television.

And there is no public interest benefit realized if Sunflower Broadband goes all-digital: Sunflower Broadband needs to recover only 50% of its analog capacity to provide the many advanced services anticipated in its 5-year and 10-year business plans.

In short, transitioning to all-digital means higher prices and less consumer choice, but results in no additional advanced services.